

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

THE ROMAN CATHOLIC DIOCESE OF
ROCKVILLE CENTRE, NEW YORK

Debtor.

23-CV-9210

23-CV-9271

23-CV-9365

23-CV-9463

23-CV-9516

23-CV-9629

ORDER

J. PAUL OETKEN, District Judge:

On October 19, 2023, a group of appellants filed a notice of appeal of an Order of the Bankruptcy Court, which sustained an omnibus objection by the Debtor, The Roman Catholic Diocese of Rockville Centre, New York, to 33 proofs of claim in its bankruptcy case. (*See* Doc. No. 2516, *In re: The Roman Catholic Diocese of Rockville Centre, N.Y.*, No. 20-12345-mg (Bankr. S.D.N.Y.)) Since then, five other groups of appellants have filed notices of appeal of the same Order. To date, a total of six related bankruptcy appeals have been assigned or reassigned to the undersigned.

The Court hereby orders as follows:

Consolidation of Related Bankruptcy Appeals

1. Pursuant to Rule 42(a) of the Federal Rules of Civil Procedure, the six related bankruptcy appeals filed under the case numbers 23-CV-9210, 23-CV-9271, 23-CV-9365, 23-CV-9463, 23-CV-9516, and 23-CV-9629 are hereby consolidated for all purposes into one appeal under the case number 23-CV-9210. These actions shall be referred to herein as the “Consolidated Appeal.” Despite such consolidation, the consolidated cases “retain their separate identities.” *Hall v. Hall*, 138 S. Ct. 1118, 1128-31 (2018). For administrative purposes, the

Clerk of Court is directed to close the other five appeals listed above. This order does not affect the rights of the parties in any of the consolidated appeals.

Master Docket and Master File

2. A Master Docket and Master File are hereby established for the Consolidated Action. The Master File number shall be 23-CV-9210 (JPO). A Master Docket will be maintained for the Related Actions with all entries to be docketed under the Master File number. If a document pertains to only one of the consolidated appeals, it will be docketed on the Master Docket with the notation in the docket text as to the case number(s) to which it pertains.

Caption for the Appeal

3. The Consolidated Appeal shall be referred to as: *In re The Roman Catholic Diocese of Rockville Centre, New York*, and every pleading or other paper filed in the Consolidated Appeal shall bear the following caption:

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

IN RE THE ROMAN CATHOLIC DIOCESE OF ROCKVILLE CENTRE, NEW YORK	Master Docket No. 23-cv-9210 (JPO)
THIS DOCUMENT RELATES TO:	

4. All papers previously filed and served to date in the Related Appeals are deemed part of the record in 23-cv-9210 (JPO).

Application of this Order to Prior and Subsequent Related Appeals

5. This Order shall apply to each appeal arising out of the same Order of the Bankruptcy Court, including any such appeal filed prior to entry of this Order. If an appeal of the Order of the Bankruptcy Court is or has been filed in this Court or transferred here from another court (a “Subsequent Appeal”) the Court will direct the clerk to:

- a. File a copy of this Order in the separate file for the Subsequent Appeal;
- b. Consolidate the Subsequent Appeal with this Consolidated Appeal by transferring the case to the docket for this appeal, *In re The Roman Catholic Diocese of Rockville Centre, New York*, 23-cv-9210 (JPO) (S.D.N.Y.).
- c. Close the docket for the Subsequent Appeal.

Notices of Appearance and Future Filings

6. Counsel for all parties shall file appearances in the case 23-CV-9210 on or before November 30, 2023, and all future filings shall be in that case.

Claims Not Stayed by the Delaware Court of Chancery’s Order

7. Two groups of appellants—the “Merson Law Appellants” (23-CV-9516) and the “Slater Appellants” (23-CV-9629)—have requested that this Court refrain from entering a briefing schedule until after the expiration of the Delaware Court of Chancery’s Liquidation and Injunction Order imposed on one of the Debtor’s insurers, Arrowood Indemnity Company. The two groups of appellants argue that their claims are stayed by the Arrowood Liquidation and Injunction Order. (*See* 23-CV-9516, ECF No. 9, and 23-CV-9629, ECF No. 7.)

8. The Court determines that the claims of the Merson Law Appellants and the Slater Appellants are not stayed. The Chancery Court’s Order states that persons with notice of the Order are “enjoined and restrained from instituting or further prosecuting any action at law or in

equity” where “Arrowood is obligated to defend.” (23-CV-9516, ECF No. 9-1, ¶ 20.) There is ongoing litigation in this District in which Arrowood has disclaimed the obligation to defend the Debtor as to proofs of claims in the Debtor’s bankruptcy case, and Arrowood is, in fact, not defending the Debtor against those claims. *See Roman Catholic Diocese of Rockville Centre, N.Y. v. Arrowood Indemnity Co.*, No. 1:20-cv-11011 (JLR) (SLC) (S.D.N.Y.), ECF No. 130 ¶ 169. Furthermore, the six related bankruptcy appeals are not “action[s] at law or in equity” subject to the Chancery Court’s Order because they are appeals arising out of proofs of claim asserted pursuant to Fed. R. Bankr. P. 3001 and objections to proofs of claim made pursuant to Fed. R. Bankr. P. 3007.

Show Cause Order

9. The appellants in the case 23-CV-9271 (the “Anderson Appellants”) shall show cause on or before November 30, 2023 as to why that appeal should not be dismissed for failure to comply with Fed. R. Bankr. P. 8009(a)(1)(B)(i).

Briefing Schedule

10. The Court hereby adopts the following briefing schedule for the Consolidated Appeal:

December 15, 2023: Appellants’ Brief Due

January 19, 2024: Debtor’s Brief Due

February 2, 2024: Appellants’ Reply Brief Due

11. Appellants shall file a single brief and a single reply brief. The Debtor shall file a single response brief.

The Clerk of Court is directed to file this Order in case numbers 23-CV-9210, 23-CV-9271, 23-CV-9365, 23-CV-9463, 23-CV-9516, and 23-CV-9629.

All further filings will be in case number 23-CV-9210.

The Clerk is directed to administratively close case numbers 23-CV-9271, 23-CV-9365, 23-CV-9463, 23-CV-9516, and 23-CV-9629.

SO ORDERED.

Dated: November 20, 2023
New York, New York



J. PAUL OETKEN
United States District Judge